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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 003714

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DEPT FOR EAP/TC, EAP/EP, NP/ECC, NP/CBM  
DEPT PASS AIT/W

E.O. 12958: DECL: 09/11/2015  
TAGS: [ETTC](#) [PARM](#) [PINR](#) [PREL](#) [PTER](#) [TW](#) [IR](#)  
SUBJECT: TAIWAN EXPORTS TO IRAN

REF: SECSTATE 162823

Classified By: AIT Acting Director David Keegan, Reason 1.4 b/d

1. (C) Summary: AIT delivered reftel non-paper/talking points to the Bureau of Foreign Trade (BOFT) on September 6. BOFT provided results of its preliminary investigation in Eumatech and a copy of its SHTC exporter watch list (para 5). AIT received information in a letter from BOFT on its further investigation into Ecoma Enterprises (para 4). Action request para 3. End summary.

2. (C) AIT/ECON delivered reftel non-paper/talking points on Taiwan machine tool exports by the Taiwan company Jiann Sheng Machinery to the Iran company Pishro Sanat to BOFT Export Controls Task Force Head Wally Su on September 6. AIT/ECON again stressed the importance of requiring companies to know the end user of their products. Su said BOFT would investigate. Su said that BOFT's preliminary investigation into the Eumatech Corporation had revealed that the company changed its name five years ago, and that while the re-named company was registered to export, Customs records showed it had made no exports in recent months. Su said he was delaying contacting the company directly in order to assemble more information before alerting the company to the investigation. Su asked if AIT could provide any additional detail on this case that might shed light on how the company had been shipping machine tools to Iran.

3. (C) Action request: Please advise on whether any additional detail can or should be provided to BOFT prior to its making direct contact with Eumatech.

4. (C) BOFT informed AIT by letter of the results of its further investigation of Ecoma Enterprise Company's exports of machine tools to Iran. An informal AIT translation of the letter follows. AIT/T/Econ has faxed the original to AIT/W and EAP/TC.

Begin Informal Translation:

From: Board of Foreign Trade  
To: AIT  
Letter date: August 31, 2005  
Letter number: Mao Yan Fu Tzi 09401511990

Subject: Please find BOFT's follow-up investigation on Ecoma Enterprise Company which exported machine tools to Iran.

Explanations:

(1) This action was made per request of AIT Economic Section Chief Daniel Moore while in the meeting with BOFT Chief of Secretariat Peter Ho on June 9, 2005.

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(2) BOFT's investigation and follow-up actions:

a. Informed Directorate General of Customs to include Ecoma on Customs, high-risk list.

b. Instructed Ecoma that in the future the company must apply for an SHTC export permit before exporting commodities to Iran manufacturers Mizan Machine Manufacturing Group (3MG) and Shahid Hemmat Industrial Group (SHIG). Requested all permit-issuing agencies to comply with the monitoring measures.

c. The investigation revealed that in April-May 2005, Ecoma did not export any machine tools to Iran.

(3) BOFT will also regularly-inspect Ecoma.

End Text of Letter.

5. (C) BOFT also provided AIT with a copy of its SHTC Exporter Watch List. Through July 1, 2005 there were 23 companies on the list.

Exporter Watch List

Company Name	Term on the list
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-1. Liyan Electric Industrial Co.	Till July 2, 2005
-2. Arise Biotech Corp.	Till Oct. 21, 2005
-3. Gemmy Industrial Corp.	Till Oct. 21, 2005
-4. Hand Will International Co.	Till Oct. 21, 2005
-5. Coin Rokaki Enterprise Co.	Till Oct. 21, 2005
-6. Long Chang Machinery Co.	Till Nov. 24, 2005
-7. Re-Hontex Industrial Co.	Till Nov. 30, 2005
-8. Techtex Industrial Co.	Till Nov. 30, 2005
-9. Royal Richard Taiwan Company	Till Dec. 1, 2005
-10. Royal Team Corp.	Till Feb. 2, 2006
-11. She Hong Industrial Co.	Till Feb. 30, 2006
-12. Lion Enterprises Corp.	Till May 9, 2006
-13. Fair Friend Enterprise Co.	Till May 10, 2006
-14. Tyfer Industrial Co.	Till May 23, 2006
-15. Exact Machinery Co.	Till May 23, 2006
-16. Tailee Machines Co.	Till May 23, 2006
-17. Ching Hwee Int,l Trading	Till June 15, 2006
-18. Kao Ming Machinery Ind. Co.	Till June 15, 2006
-19. Far East Machinery Co.	Till June 15, 2006
-20. Leadwell CNC Machines Corp.	Till June 15, 2006
-21. Xtra Industrial Corp.	Till June 30, 2006
-22. Ching Hung Machinery & Electric Industrial Co.	Till June 30, 2006
-23. Ecoma Enterprise Co.	Till July 31, 2006

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